

CLSD director: Eliminate all out-of-pocket costs for locals

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Independent Coast Observer
January 22, 2015

Local residents and property owners should be able to use the Coast Life Support Ambulance without paying any out-of-pocket cost, District Administrator Scott Foster recommended to the board on Monday. Currently, residents and property owners in the district receive a 50 percent discount on their out-of-pocket (after insurance) costs on ambulance services from the CLSD. His proposal for the next year's (2015-16) budget was the culmination of his extensive State of the District report to the CLSD board Monday. It was the first such report given to the board. The report began with an historical review, from its origins as a home-grown idea in the 1980s to the CLSD's current status as what Foster described as a "widely recognized and respected public agency."

History

More than 40 years ago, the only ambulance serving the thinly-settled coast was the Ormsbee-Ayers ambulance service, a privately-owned rig originally started by Arnold Ormsbee as an adjunct to his funeral home in Point Arena. Ormsbee's ambulance offered only transport, with little in the form of medical aid for its patients on their way to the hospital. Mike Thomas of Gualala (now proprietor of Bones Roadhouse) purchased the ambulance service in the early 1980s, but the low call volume and high expenses were driving him out of business, which would leave the coast with no ambulance service at all. Bill Platt and other community leaders built support for a special district, which would make a local ambulance available for people on the Mendocino coast. In the meantime, local fundraisers kept the private ambulance running while the new district was formed.

In 1986, special state legislation, AB 4227, formed a new district including portions of Mendocino and Sonoma County from Point Arena to Stewarts Point. CLSD was formed as a hospital district, with a broad scope beyond ambulance services to include other health care and facilities. A special parcel tax was levied to support ambulance service.

The new district contracted with a private ambulance company to provide services, a single ambulance based in a rental house on the Gualala Ridge. Backup was by volunteer Emergency Medical Technicians (EMTs) and local fire departments. In 1988, the district annexed Timber Cove-Seaview and Irish Beach, and later became its own employer, built the Bill Platt CLSD building on land donated by John J. Bower and employed a part-time District Administrator/Paramedic and Business Manager.

State legislation in 2006 permitted the district to give discounts to residents and property owners.

In more recent years, the CLSD has upgraded its Basic Life Support backup crews, which also keep the Advanced Life Support ambulance and paramedic on the coast while the BLS unit is transporting less-critical patients. The CLSD added full-time paramedics, a Board-certified Emergency Medicine physician, and developed professional administrative staff. Today, Foster reported, the CLSD has a scope of practice beyond any other ALS in California; 100 percent shift coverage for both ALS and BLS ambulances; state of the art facilities, vehicles and equipment; solid financial footing for the next three to five years, and solid public support.

Current Mission

The Coast Life Support District includes about 6,400 residents, a population which can double during surges of tourist season. Overall, the district has stable size and age demographic, with a significant older population and broad economic range. Medical care availability is important to the quality of life here, Foster said, especially for the older population and young families. Because it is a linear district with challenging roads and weather, the CLSD has the longest ALS response and transport times in the state. Foster said helicopter transport is not possible about half the time because of weather.

In spite of the fact that most calls are random illness and injury, the historical demand is remarkably consistent: an average of about 750 dispatch calls for service per year, with 385 transports per year. However, in 2014, for unknown reasons, volume was up considerably. There were 892 dispatch calls, and 421 transports, but Foster warned that this does not necessarily represent a trend.

To meet demand, one ALS ambulance is available 24/7, while one BLS is always on-call with 15-minute response. The district has three full-time paramedics and one part-time, serving two days on, four days off. There are three full-time ALS EMTs. BLS EMTs receive a shift stipend for their on-call shifts, plus hourly pay when they are called out. Because of low call volume, all full-time staff members have other responsibilities.

Costs and Revenues

Foster gave an extensive review of the costs of the program. Of the overall 2014-15 budget of \$1,361,000, about 75 percent is personnel, with 14 percent for operations. Less than 5 percent is for administrative overhead. Training expense is less than 1 percent — including the community CPR training program — while the remainder of about 6 percent is for interest and depreciation.

The average bill for a CLSD ambulance transport is \$5,089, Foster said, which is comparable to the cost of an American Medical Response ambulance call in Santa

Rosa — plus mileage charge getting to the hospital from our remote area. Foster estimated for each call an AMR ambulance is out for one hour; with the long distances CLSD covers, an ambulance transport to a hospital can tie up a unit and crew for about six hours. Even with that billing of more than \$5,000, CLSD receives an average of just \$1,311 — only 26 cents on the dollar, after mandatory reductions for Medicare (almost 60 percent), MediCal (15 percent), and allowances for bad debts. The current residents' discount of out-of-pocket is a tiny slice of that — less than 3 percent.

The ambulance service receives parcel tax revenues from property owners in the district: \$364.7 thousand in Sonoma County, and \$561 thousand in Mendocino County.

Eliminating in-district out-of-pocket

At the conclusion of his presentation, Foster observed that the current discount of 50 percent of the out-of-pocket expense for CLSD residents and property owners currently costs the district between \$35,000 and \$38,000. It would increase expenses just that much more to entirely eliminate the out-of-pocket expense for district residents and property owners when they require ambulance services. Even with insurance, the co-pay or deductible for an ambulance transport can cost a patient thousands of dollars.

This no-out-of-pocket structure, similar to the REACH and CalStar helicopter member benefit, would not increase the district's costs substantially, while assuring that every resident and/or property owner in the Coast Life Support District can avail themselves of the high-quality ambulance service their community has built and paid for.

Foster recommended that the board address this option in the 2015-16 budget, as part of its mission as a professional, respected public agency serving its community.